

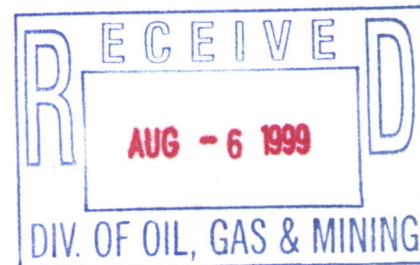


INTERNATIONAL
URANIUM (USA)
CORPORATION

m/037/006

H.C. 64 • Box 153 • 2555 No. Highway 89A • Fredonia, AZ 86022 • 520 643 7321 (phone) • 520 643 7328 (fax)

August 4, 1999



Mr. Anthony A. Gallegos
Senior Reclamation Specialist
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Re: Rim Mine, San Juan County, Utah, M/037/006, Temporary Recession Notice

Dear Mr. Gallegos:

This letter is written as matter of record and following our August 2, 1999, telephonic communication during which the State of Utah, Department of Natural Resources, Division of Oil, Gas and Mining (UDOGM) was advised that the International Uranium (USA) Corporation (IUSA) Rim Mine, located in Section 29, Township 31 South, Range 25 East, will begin a temporary suspension status effective August 15, 1999. The Rim Mine infrastructure and surface plant remain intact and review of project feasibility and metal market forecast analysis is in process.

Should additional information or discussion concerning this matter be required, please contact me at the IUSA Fredonia Arizona office at telephone number (520) 643-7321 or via fax number (520) 643-7328.

Very truly yours,

Roger B. Smith
General Manager of Mining Operations

RBS:ksc

Cc: D. Wayne Hedberg
Permit Supervisor, UDOGM
David C. Frydenlund, IUSA
Harold R. Roberts, IUSA